

**AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
**TO H.R. 3248**  
**OFFERED BY MR. GOODLING**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Dollars to the Class-  
3 room Act”.

**4 TITLE I—IMPROVEMENT OF**  
**5 CLASSROOM SERVICES AND**  
**6 ACTIVITIES**

**7 SEC. 101. GRANTS TO STATES.**

8       The Secretary is authorized to award grants in ac-  
9 cordance with this title to States for use by States and  
10 local educational agencies to improve classroom services  
11 and activities for students.

**12 SEC. 102. GRANT AWARD.**

13       (a) RESERVATION OF FUNDS.—From the amount ap-  
14 propriated to carry out this title for any fiscal year, the  
15 Secretary shall reserve—

16               (1)  $\frac{1}{2}$  of 1 percent for the outlying areas, to be  
17 distributed among the outlying areas on the basis of  
18 their relative need, as determined by the Secretary  
19 in accordance with the purposes of this section; and

1           (2)  $\frac{1}{2}$  of 1 percent for the Secretary of the In-  
2           terior for programs under this title in schools oper-  
3           ated or funded by the Bureau of Indian Affairs.

4           (b) STATE ALLOCATIONS.—Funds appropriated to  
5           carry out this title for any fiscal year, which are not re-  
6           served under subsection (a), shall be allocated among the  
7           States as follows:

8           (1) HOLD HARMLESS.—If the amount of funds  
9           appropriated to carry out this title in any fiscal year  
10          equals or exceeds the aggregate amount all States  
11          received in fiscal year 1998 under—

12                (A) title III of the Goals 2000: Educate  
13                America Act (20 U.S.C. 5881 et seq.);

14                (B) section 1002(g)(2) of the Elementary  
15                and Secondary Education Act of 1965;

16                (C) section 1502 of the Elementary and  
17                Secondary Education Act of 1965 (20 U.S.C.  
18                6492);

19                (D) part B of title II of the Elementary  
20                and Secondary Education Act of 1965 (20  
21                U.S.C. 6641 et seq.);

22                (E) section 3132 of the Elementary and  
23                Secondary Education Act of 1965 (20 U.S.C.  
24                6842 et seq.);

1 (F) title VI of the Elementary and Second-  
2 ary Education Act of 1965 (20 U.S.C. 7311 et  
3 seq.); and

4 (G) part B of title VII of the Stewart B.  
5 McKinney Homeless Assistance Act (42 U.S.C.  
6 11421 et seq.)

7 (as such provisions were in effect on the day preced-  
8 ing the date of the enactment of this Act), the Sec-  
9 retary shall allocate to each State the aggregate  
10 amount such State received for fiscal year 1998  
11 under such provisions.

12 (2) INSUFFICIENT FUNDS.—If the amount of  
13 appropriations to carry out this title for any fiscal  
14 year is insufficient to pay the full amounts that all  
15 States are eligible to receive under paragraph (1) for  
16 such year, the Secretary shall ratably reduce such  
17 amounts for such year.

18 (3) REMAINING FUNDS.—If funds remain after  
19 meeting the requirements of paragraph (1), such re-  
20 maining funds shall be allocated among the States  
21 in the following manner:

22 (A) 50 percent of such remaining funds  
23 shall be allocated to States in proportion to  
24 their grants under part A of title I of the Ele-

1           mentary and Secondary Education Act for the  
2           preceding fiscal year; and

3                 (B) 50 percent of such remaining funds  
4           shall be allocated to States in proportion to the  
5           number of children aged 5–17 years, inclusive,  
6           according to the most recent available data that  
7           are satisfactory to the Secretary.

8           (c) DEFINITION OF STATE.—For purposes of this  
9           section, the term “State” includes the 50 States, the Dis-  
10          trict of Columbia, and the Commonwealth of Puerto Rico.

11          (d) DEFINITION OF OUTLYING AREA.—For purposes  
12          of this section, the term “outlying area” includes Amer-  
13          ican Samoa, Guam, the Virgin Islands of the United  
14          States, and the Commonwealth of the Northern Mariana  
15          Islands.

16          (e) PAYMENTS.—Funds awarded to a State under  
17          this section shall be paid to the individual or entity in the  
18          State that is responsible for the State administration of  
19          Federal education funds pursuant to State law.

20          (f) USE OF STATE AWARDS.—

21                 (1) IN GENERAL.—From the amount made  
22          available to a State under subsection (b) for a fiscal  
23          year, the State—

24                         (A) shall use not more than 5 percent of  
25          the total amount to support programs or activi-

1           ties, for children ages 5 through 17, that the  
2           State determines appropriate, of which the  
3           State shall distribute 20 percent of the 5 per-  
4           cent to local educational agencies in the State  
5           to pay the administrative expenses of the local  
6           educational agencies that are associated with  
7           the activities and services assisted under this  
8           section; and

9           (B) shall distribute pursuant to section  
10          103(a) not less than 95 percent of the amount  
11          to local educational agencies in the State for  
12          the fiscal year to enable the local educational  
13          agencies to pay the costs of activities or services  
14          provided in the classroom, for children ages 5  
15          through 17, that the local educational agencies  
16          determine appropriate subject to the require-  
17          ments of 103(b); and

18          (2) ADMINISTRATIVE EXPENSES.—For the pur-  
19          pose of paragraph (1)(B), the costs of activities and  
20          services provided in the classroom exclude the ad-  
21          ministrative expenses associated with the activities  
22          and services.

23          (g) SUPPLEMENT NOT SUPPLANT.—A State or local  
24          educational agency shall use funds received under this title  
25          only to supplement the amount of funds that would, in

1 the absence of such Federal funds, be made available from  
2 non-Federal sources for the education of pupils participat-  
3 ing in programs assisted under this title, and not to sup-  
4 plant such funds.

5 (h) ANNUAL REPORTS.—

6 (1) IN GENERAL.—Each State receiving assist-  
7 ance under this part shall issue a report on an an-  
8 nual basis, not later than April 1 of each year begin-  
9 ning the year after the date of the enactment of this  
10 Act to the Secretary, the Committee on Education  
11 and the Workforce of the House of Representatives,  
12 the Committee on Labor and Human Resources of  
13 the Senate and the Committee on Appropriations of  
14 the Senate and the House of Representatives that  
15 describes how funds under this title have been used  
16 to improve student performance in that State.

17 (2) CERTIFICATION.—The report must also in-  
18 clude a certification by the State that 95 percent of  
19 funding provided under this title during the preced-  
20 ing fiscal year has been expended by local edu-  
21 cational agencies within that State for classroom ac-  
22 tivities and services pursuant to section  
23 102(f)(1)(B).

24 (3) MEASURES OF PERFORMANCE.—In deter-  
25 mining student academic performance within the

1 State, the State shall use such measures of student  
2 academic performance as it deems appropriate. The  
3 State may disaggregate data by poverty, subject  
4 area, race, gender, geographic location, or other cri-  
5 teria as the State deems appropriate.

6 (4) AVAILABILITY OF REPORT.—Each State  
7 shall make the report described in this subsection  
8 available to parents and members of the public  
9 throughout that State.

10 **SEC. 103. LOCAL AWARDS.**

11 (a) DETERMINATION OF AMOUNT OF FUNDS.—

12 (1) IN GENERAL.—The individual or entity in  
13 the State that is responsible for the State adminis-  
14 tration of Federal education funds pursuant to State  
15 law of each State receiving assistance under this  
16 title, in consultation with the Governor of such  
17 State, the Chief State School Officer of such State,  
18 representatives from the State Legislature, and rep-  
19 resentatives from local educational agencies within  
20 such State, shall develop a formula for the allocation  
21 of funds described in section 102, to local edu-  
22 cational agencies, taking into consideration—

23 (A) poverty rates within each local edu-  
24 cational agency;

1 (B) children living in sparsely populated  
2 areas;

3 (C) an equitable distribution of funds  
4 among urban, rural, and suburban areas;

5 (D) children whose education imposes a  
6 higher-than-average cost per child; and

7 (E) such other factors as considered appro-  
8 priate.

9 (2) HOLD HARMLESS.—No local educational  
10 agency shall receive an award under this subsection  
11 for any fiscal year in an amount that is less than  
12 the amount the local educational agency received to  
13 carry out programs or activities for fiscal year 1998  
14 for title III of the Goals 2000: Educate America Act  
15 (20 U.S.C. 5881 et seq.), part B of title II of the  
16 Elementary and Secondary Education Act of 1965  
17 (20 U.S.C. 6641 et seq.), section 3132 of the Ele-  
18 mentary and Secondary Education Act of 1965 (20  
19 U.S.C. 6842 et seq.), title VI of the Elementary and  
20 Secondary Education Act of 1965 (20 U.S.C. 7311  
21 et seq.), and part B of title VII of the Stewart B.  
22 McKinney Homeless Assistance Act (42 U.S.C.  
23 11421 et seq.) as in effect on the day preceding the  
24 date of the enactment of this Act.



1           (3) INSUFFICIENT FUNDS.—If the amount allo-  
2       cated to a State to carry out this title for any fiscal  
3       year is insufficient to pay the full amounts that all  
4       local educational agencies in such State are eligible  
5       to receive under paragraph (2) for such year, the  
6       State shall ratably reduce such amounts for such  
7       year.

8       (b) LOCAL USES OF FUNDS.—Funds made available  
9       under this section to a local educational agency shall be  
10      used for the following classroom services and activities:

11           (1) programs for the acquisition and use of in-  
12       structional and educational materials, including li-  
13       brary services and materials (including media mate-  
14       rials), assessments, reference materials, and other  
15       curricular materials which are tied to high academic  
16       standards and which will be used to improve student  
17       achievement and which are part of an overall edu-  
18       cation reform program;

19           (2) professional development for instructional  
20       staff;

21           (3) programs to improve the higher order think-  
22       ing skills of disadvantaged elementary and secondary  
23       school students and to prevent students from drop-  
24       ping out of school;

1           (4) efforts to lengthen the school day or the  
2 school year;

3           (5) programs to combat illiteracy in the student  
4 population;

5           (6) programs to provide for the educational  
6 needs of gifted and talented children;

7           (7) promising education reform projects that  
8 are tied to State student content and performance  
9 standards;

10          (8) carrying out comprehensive school reform  
11 programs that are based on reliable research;

12          (9) programs for homeless children and youth;

13          (10) programs that are built upon partnerships  
14 between local educational agencies and institutions  
15 of higher education, educational service agencies, li-  
16 braries, businesses, regional educational laboratories,  
17 or other educational entities, for the purpose of pro-  
18 viding educational services consistent with this sec-  
19 tion;

20          (11) the acquisition of books, materials and  
21 equipment, payment of compensation of instructional  
22 staff, and instructional activities that are necessary  
23 for the conduct of programs in magnet schools;

24          (12) programs to promote academic achieve-  
25 ment among women and girls;

1           (13) programs to provide for the educational  
2           needs of children with limited English proficiency or  
3           who are American Indian, Alaska Native, or Native  
4           Hawaiian;

5           (14) activities to provide the academic support,  
6           enrichment, and motivation to enable all students to  
7           reach high State standards;

8           (15) efforts to reduce the pupil-teacher ratio;

9           (16) projects and programs which assure the  
10          participation in mainstream settings in arts and  
11          education programs of individuals with disabilities;

12          (17) projects and programs to integrate arts  
13          education into the regular elementary and secondary  
14          school curriculum;

15          (18) programs designed to educate students  
16          about the history and principles of the Constitution  
17          of the United States, including the Bill of Rights,  
18          and to foster civic competence and responsibility;

19          (19) mathematics and science education in-  
20          structional materials;

21          (20) programs designed to improve the quality  
22          of student writing and learning and the teaching of  
23          writing as a learning process;

24          (21) technology related to the implementation  
25          of school-based reform programs, including profes-

1 sional development to assist teachers and other  
2 school officials regarding how to effectively use such  
3 equipment and software;

4 (22) computer software and hardware for in-  
5 structional use;

6 (23) developing, adapting, or expanding existing  
7 and new applications of technology;

8 (24) acquiring connectivity linkages, resources,  
9 and services, including the acquisition of hardware  
10 and software, for use by teachers, students, and  
11 school library media personnel in the classroom or in  
12 school library media centers, in order to improve  
13 student learning;

14 (25) developing, constructing, acquiring, main-  
15 taining, operating and obtaining technical assistance  
16 in the use of telecommunications audio and visual  
17 facilities and equipment for use in the classroom; or

18 (26) developing, acquiring, and obtaining tech-  
19 nical assistance in the use of educational and in-  
20 structional video programming for use in the class-  
21 room.

22 (c) PARENT INVOLVEMENT.—Each local educational  
23 agency receiving assistance under this section shall involve  
24 parents and members of the public in planning for the use  
25 of funds provided under this section.

1   **SEC. 104. PARTICIPATION OF CHILDREN ENROLLED IN PRI-**  
2                   **VATE SCHOOLS.**

3       Each local educational agency that receives funds  
4   under this title shall provide for the participation of chil-  
5   dren enrolled in private schools, and their teachers or  
6   other educational personnel, in the activities and services  
7   assisted under such section in the same manner as private  
8   school children, and their teachers or other educational  
9   personnel, participate in activities and services under the  
10   Elementary and Secondary Education Act of 1965 (20  
11   U.S.C. 6301 et seq.) pursuant to sections 14503, 14504,  
12   14505, and 14506 of such Act (20 U.S.C. 8893, 8894,  
13   8895, and 8896).

14   **SEC. 105. DEFINITIONS.**

15       In this title—

16           (1) the term “local educational agency” has the  
17       meaning given the term in section 14101 of the Ele-  
18       mentary and Secondary Education Act of 1965 (20  
19       U.S.C. 8801);

20           (2) the term “educational service agency” has  
21       the meaning given the term in section 14101 of the  
22       Elementary and Secondary Education Act of 1965  
23       (20 U.S.C. 8801);

24           (3) the term “Secretary” means the Secretary  
25       of Education; and

1           (4) except as otherwise provided, the term  
2       “State” means each of the several States of the  
3       United States, the District of Columbia, the Com-  
4       monwealth of Puerto Rico, Guam, American Samoa,  
5       the Commonwealth of the Northern Mariana Is-  
6       lands, and the United States Virgin Islands.

7   **SEC. 106. GENERAL PROVISIONS.**

8       (a) RULE OF CONSTRUCTION.—Nothing in this title  
9       shall be construed to authorize an officer or employee of  
10      the Federal Government to require, direct, or control a  
11      State, local educational agency or school’s specific instruc-  
12      tional content of pupil performance standards and assess-  
13      ments, curriculum, or program of instruction as a condi-  
14      tion of eligibility to receive funds under this title.

15      (b) STATE AND LOCAL DETERMINATION.—

16           (1) IN GENERAL.—The Secretary shall not  
17      issue any regulation regarding the type of classroom  
18      activities or services that may be assisted under this  
19      title.

20           (2) INSTRUCTIONAL METHOD AND SETTING.—

21      No local educational agency shall be required to pro-  
22      vide services under this title through a particular in-  
23      structional method or in a particular instructional  
24      setting in order to receive funding under this title.

1   **SEC. 107. REPEALS.**

2           The following provisions are repealed:

3                   (A) Title III of the Goals 2000: Educate  
4           America Act (20 U.S.C. 5881 et seq.).

5                   (B) Title IV of the Goals 2000: Educate  
6           America Act (20 U.S.C. 5911 et seq.).

7                   (C) Title VI of the Goals 2000: Educate  
8           America Act (20 U.S.C. 5951).

9                   (D) Titles II, III, and IV of the School-to-  
10          Work Opportunities Act of 1994 (20 U.S.C.  
11          6121 et seq., 6171 et seq., and 6191 et seq.).

12                   (E) Section 1502 of the Elementary and  
13          Secondary Education Act of 1965 (20 U.S.C.  
14          6492).

15                   (F) Section 1503 of the Elementary and  
16          Secondary Education Act of 1965 (20 U.S.C.  
17          6493).

18                   (G) Section 1002(g)(2) of the Elementary  
19          and Secondary Education Act of 1965.

20                   (H) Part A of title II of the Elementary  
21          and Secondary Education Act of 1965 (20  
22          U.S.C. 6621 et seq.).

23                   (I) Part B of title II of the Elementary  
24          and Secondary Education Act of 1965 (20  
25          U.S.C. 6641 et seq.).

1 (J) Title III of the Elementary and Sec-  
2 ondary Education Act of 1965 (20 U.S.C. 6801  
3 et seq.).

4 (K) Part A of title V of the Elementary  
5 and Secondary Education Act of 1965 (20  
6 U.S.C. 7201 et seq.).

7 (L) Part B of title V of the Elementary  
8 and Secondary Education Act of 1965 (20  
9 U.S.C. 7231 et seq.).

10 (M) Title VI of the Elementary and Sec-  
11 ondary Education Act of 1965 (20 U.S.C. 7311  
12 et seq.).

13 (N) Part B of title IX of the Elementary  
14 and Secondary Education Act of 1965 (20  
15 U.S.C. 7901 et seq.).

16 (O) Part C of title IX of the Elementary  
17 and Secondary Education Act of 1965 (20  
18 U.S.C. 7931 et seq.).

19 (P) Part A of title X of the Elementary  
20 and Secondary Education Act of 1965 (20  
21 U.S.C. 8001 et seq.).

22 (Q) Part B of title X of the Elementary  
23 and Secondary Education Act of 1965 (20  
24 U.S.C. 8031 et seq.).



1 (R) Part D of title X of the Elementary  
2 and Secondary Education Act of 1965 (20  
3 U.S.C. 8091 et seq.).

4 (S) Part F of title X of the Elementary  
5 and Secondary Education Act of 1965 (20  
6 U.S.C. 8141 et seq.).

7 (T) Part G of title X of the Elementary  
8 and Secondary Education Act of 1965 (20  
9 U.S.C. 8161 et seq.).

10 (U) Part I of title X of the Elementary  
11 and Secondary Education Act of 1965 (20  
12 U.S.C. 8241 et seq.).

13 (V) Part J of title X of the Elementary  
14 and Secondary Education Act of 1965 (20  
15 U.S.C. 8271 et seq.).

16 (W) Part K of title X of the Elementary  
17 and Secondary Education Act of 1965 (20  
18 U.S.C. 8331 et seq.).

19 (X) Part L of title X of the Elementary  
20 and Secondary Education Act of 1965 (20  
21 U.S.C. 8351 et seq.).

22 (Y) Part A of title XIII of the Elementary  
23 and Secondary Education Act of 1965 (20  
24 U.S.C. 8621 et seq.).

1 (Z) Part C of title XIII of the Elementary  
2 and Secondary Education Act of 1965 (20  
3 U.S.C. 8671 et seq.).

4 (AA) Part B of title VII of the Stewart B.  
5 McKinney Homeless Assistance Act (42 U.S.C.  
6 11421 et seq.).

7 **SEC. 108. AUTHORIZATION OF APPROPRIATIONS.**

8 There are authorized to be appropriated to carry out  
9 this title, \$2,740,000,000 for fiscal year 1999 and such  
10 sums as may be necessary for each of the four succeeding  
11 fiscal years.

12 **TITLE II—MISCELLANEOUS**  
13 **PROVISIONS**

14 **SEC. 201. EXPANSION OF ED-FLEX DEMONSTRATIONS.**

15 (a) WAIVER AUTHORITY.—

16 (1) IN GENERAL.—Except as provided in sub-  
17 section (c), the Secretary may waive any statutory  
18 or regulatory requirement applicable to any program  
19 or Act described in subsection (b) for a State edu-  
20 cational agency, local educational agency, or school  
21 if—

22 (A) and only to the extent that, the Sec-  
23 retary determines that such requirement im-  
24 pedes the ability of the State, or of a local edu-

1           cational agency or school in the State, to carry  
2           out the State or local improvement plan;

3           (B) the State educational agency has  
4           waived, or agrees to waive, similar requirements  
5           of State law;

6           (C) in the case of a statewide waiver, the  
7           State educational agency—

8                   (i) provides all local educational agen-  
9                   cies and parent organizations in the State  
10                  with notice and an opportunity to comment  
11                  on the State educational agency's proposal  
12                  to seek a waiver; and

13                  (ii) submits the local educational  
14                  agencies' comments to the Secretary; and

15           (D) in the case of a local educational agen-  
16           cy waiver, the local educational agency provides  
17           parents, community groups, and advocacy or  
18           civil rights groups with the opportunity to com-  
19           ment on the proposed waiver.

20           (2) APPLICATION.—(A)(i) To request a waiver  
21           under paragraph (1), a local educational agency or  
22           school that receives funds under this title, or a local  
23           educational agency or school shall transmit an appli-  
24           cation for such a waiver to the State educational  
25           agency. The State educational agency then shall sub-

1        mit approved applications for waivers under para-  
2        graph (1) to the Secretary.

3            (ii) A State educational agency may request a  
4        waiver under paragraph (1) by submitting an appli-  
5        cation for such waiver to the Secretary.

6            (B) Each application submitted to the Sec-  
7        retary under subparagraph (A) shall—

8            (i) identify the statutory or regulatory re-  
9        quirements that are requested to be waived and  
10       the goals that the State educational agency or  
11       local educational agency or school intends to  
12       achieve;

13           (ii) describe the action that the State edu-  
14       cational agency has undertaken to remove State  
15       statutory or regulatory barriers identified in the  
16       application of local educational agencies;

17           (iii) describe the goals of the waiver and  
18       the expected programmatic outcomes if the re-  
19       quest is granted;

20           (iv) describe the numbers and types of stu-  
21       dents to be impacted by such waiver;

22           (v) describe a timetable for implementing a  
23       waiver; and

24           (vi) describe the process the State edu-  
25       cational agency will use to monitor, on a bian-

1           nual basis, the progress in implementing a  
2           waiver.

3           (3) TIMELINESS.—The Secretary shall act  
4           promptly on a request for a waiver under paragraph  
5           (1) and shall provide a written statement of the rea-  
6           sons for granting or denying such request.

7           (4) DURATION.—Each waiver under paragraph  
8           (1) shall be for a period not to exceed 4 years. The  
9           Secretary may extend such period if the Secretary  
10          determines that the waiver has been effective in ena-  
11          bling the State or affected local educational agencies  
12          to carry out reform plans.

13          (b) INCLUDED PROGRAMS.—The statutory or regu-  
14          latory requirements subject to the waiver authority of this  
15          section are any such requirements under the following pro-  
16          grams or Acts:

17               (1) Title I of the Elementary and Secondary  
18               Education Act of 1965.

19               (2) Part A of title II of the Elementary and  
20               Secondary Education Act of 1965.

21               (3) Part A of title V of the Elementary and  
22               Secondary Education Act of 1965.

23               (4) Title VIII of the Elementary and Secondary  
24               Education Act of 1965.

1           (5) Part B of title IX of the Elementary and  
2       Secondary Education Act of 1965.

3           (6) The Carl D. Perkins Vocational and Applied  
4       Technology Education Act.

5       (c) WAIVERS NOT AUTHORIZED.—The Secretary  
6   may not waive any statutory or regulatory requirement of  
7   the programs or Acts described in subsection (b)—

8           (1) relating to—

9               (A) maintenance of effort;

10              (B) comparability of services;

11              (C) the equitable participation of students  
12       and professional staff in private schools;

13              (D) parental participation and involve-  
14       ment; and

15              (E) the distribution of funds to States or  
16       to local educational agencies; and

17           (2) unless the underlying purposes of the statu-  
18       tory requirements of each program or Act for which  
19       a waiver is granted continue to be met to the satis-  
20       faction of the Secretary.

21       (d) TERMINATION OF WAIVERS.—The Secretary  
22   shall periodically review the performance of any State,  
23   local educational agency, or school for which the Secretary  
24   has granted a waiver under subsection (a)(1) and shall  
25   terminate the waiver if the Secretary determines that the

1 performance of the State, the local educational agency, or  
2 the school in the area affected by the waiver has been in-  
3 adequate to justify a continuation of the waiver.

4 (e) FLEXIBILITY DEMONSTRATION.—

5 (1) SHORT TITLE.—This subsection may be  
6 cited as the “Education Flexibility Partnership  
7 Demonstration Act”.

8 (2) PROGRAM AUTHORIZED.—

9 (A) IN GENERAL.—The Secretary may  
10 carry out an education flexibility demonstration  
11 program under which the Secretary authorizes  
12 not more than 50 State educational agencies  
13 serving eligible States to waive statutory or reg-  
14 ulatory requirements applicable to 1 or more  
15 programs or Acts described in subsection (b),  
16 other than requirements described in subsection  
17 (c), for the State educational agency or any  
18 local educational agency or school within the  
19 State.

20 (B) AWARD RULE.—In carrying out sub-  
21 paragraph (A), the Secretary shall select for  
22 participation in the demonstration program de-  
23 scribed in subparagraph (A) three State edu-  
24 cational agencies serving eligible States that  
25 each have a population of 3,500,000 or greater

1 and three State educational agencies serving eli-  
2 gible States that each have a population of less  
3 than 3,500,000, determined in accordance with  
4 the most recent decennial census of the popu-  
5 lation performed by the Bureau of the Census.

6 (C) DESIGNATION.—Each eligible State  
7 participating in the demonstration program de-  
8 scribed in subparagraph (A) shall be known as  
9 an “Ed-Flex Partnership State”.

10 (3) ELIGIBLE STATE.—For the purpose of this  
11 subsection the term “eligible State” means a State  
12 that waives State statutory or regulatory require-  
13 ments relating to education while holding local edu-  
14 cational agencies or schools within the State that are  
15 affected by such waivers accountable for the per-  
16 formance of the students who are affected by such  
17 waivers.

18 (4) STATE APPLICATION.—(A) Each State edu-  
19 cational agency desiring to participate in the edu-  
20 cation flexibility demonstration program under this  
21 subsection shall submit an application to the Sec-  
22 retary at such time, in such manner, and containing  
23 such information as the Secretary may reasonably  
24 require. Each such application shall demonstrate



1       that the eligible State has adopted an educational  
2       flexibility plan for the State that includes—

3               (i) a description of the process the State  
4       educational agency will use to evaluate applica-  
5       tions from local educational agencies or schools  
6       requesting waivers of—

7               (I) Federal statutory or regulatory re-  
8       quirements described in paragraph (2)(A);  
9       and

10              (II) State statutory or regulatory re-  
11      quirements relating to education; and

12              (ii) a detailed description of the State stat-  
13      utory and regulatory requirements relating to  
14      education that the State educational agency will  
15      waive.

16              (B) The Secretary may approve an application  
17      described in subparagraph (A) only if the Secretary  
18      determines that such application demonstrates sub-  
19      stantial promise of assisting the State educational  
20      agency and affected local educational agencies and  
21      schools within such State in carrying out com-  
22      prehensive educational reform, after considering—

23              (i) the comprehensiveness and quality of  
24      the educational flexibility plan described in sub-  
25      paragraph (A);

1 (ii) the ability of such plan to ensure ac-  
2 countability for the activities and goals de-  
3 scribed in such plan;

4 (iii) the significance of the State statutory  
5 or regulatory requirements relating to education  
6 that will be waived; and

7 (iv) the quality of the State educational  
8 agency's process for approving applications for  
9 waivers of Federal statutory or regulatory re-  
10 quirements described in paragraph (2)(A) and  
11 for monitoring and evaluating the results of  
12 such waivers.

13 (5) LOCAL APPLICATION.—(A) Each local edu-  
14 cational agency or school requesting a waiver of a  
15 Federal statutory or regulatory requirement de-  
16 scribed in paragraph (2)(A) and any relevant State  
17 statutory or regulatory requirement from a State  
18 educational agency shall submit an application to  
19 the State educational agency at such time, in such  
20 manner, and containing such information as the  
21 State educational agency may reasonably require.  
22 Each such application shall—

23 (i) indicate each Federal program affected  
24 and the statutory or regulatory requirement  
25 that will be waived;

1 (ii) describe the purposes and overall ex-  
2 pected results of waiving each such require-  
3 ment;

4 (iii) describe for each school year specific,  
5 measurable, educational goals for each local  
6 educational agency or school affected by the  
7 proposed waiver; and

8 (iv) explain why the waiver will assist the  
9 local educational agency or school in reaching  
10 such goals.

11 (B) A State educational agency shall evaluate  
12 an application submitted under subparagraph (A) in  
13 accordance with the State's educational flexibility  
14 plan described in paragraph (4)(A).

15 (C) A State educational agency shall not ap-  
16 prove an application for a waiver under this para-  
17 graph unless—

18 (i) the local educational agency or school  
19 requesting such waiver has developed a local re-  
20 form plan that is applicable to such agency or  
21 school, respectively; and

22 (ii) the waiver of Federal statutory or reg-  
23 ulatory requirements described in paragraph  
24 (2)(A) will assist the local educational agency  
25 or school in reaching its educational goals.

1           (6) MONITORING.—Each State educational  
2       agency participating in the demonstration program  
3       under this subsection shall annually monitor the ac-  
4       tivities of local educational agencies and schools re-  
5       ceiving waivers under this subsection and shall sub-  
6       mit an annual report regarding such monitoring to  
7       the Secretary.

8           (7) DURATION OF FEDERAL WAIVERS.—(A)  
9       The Secretary shall not approve the application of a  
10      State educational agency under paragraph (4) for a  
11      period exceeding 5 years, except that the Secretary  
12      may extend such period if the Secretary determines  
13      that such agency's authority to grant waivers has  
14      been effective in enabling such State or affected  
15      local educational agencies or schools to carry out  
16      their local reform plans.

17           (B) The Secretary shall periodically review the  
18      performance of any State educational agency grant-  
19      ing waivers of Federal statutory or regulatory re-  
20      quirements described in paragraph (2)(A) and shall  
21      terminate such agency's authority to grant such  
22      waivers if the Secretary determines, after notice and  
23      opportunity for hearing, that such agency's perform-  
24      ance has been inadequate to justify continuation of  
25      such authority.

1 (f) ACCOUNTABILITY.—In deciding whether to extend  
2 a request for a waiver under subsection (a)(1), or a State  
3 educational agency’s authority to issue waivers under sub-  
4 section (e), the Secretary shall review the progress of the  
5 State educational agency, local educational agency, or  
6 school affected by such waiver or authority to determine  
7 if such agency or school has made progress toward achiev-  
8 ing the desired results described in the application submit-  
9 ted pursuant to subsection (a)(2)(B)(iii) or (e)(5)(A)(ii).

10 (g) PUBLICATION.—A notice of the Secretary’s deci-  
11 sion to grant waivers under subsection (a)(1) and to au-  
12 thorize State educational agencies to issue waivers under  
13 subsection (e) shall be published in the Federal Register  
14 and the Secretary shall provide for the dissemination of  
15 such notice to State educational agencies, interested par-  
16 ties, including educators, parents, students, advocacy and  
17 civil rights organizations, other interested parties, and the  
18 public.

19 **SEC. 202. EXPANSION OF SCHOOLWIDE PROGRAMS.**

20 Section 1114(a)(1) of the Elementary and Secondary  
21 Act of 1965 (20 U.S.C. 6314) is amended by striking “if,  
22 for the initial year of the schoolwide program” and all that  
23 follows through “(a)(1)(B)(ii)”.